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# UNITED STATES DEPARTMENT OF LAGRICULTURE COMMODITY CREDIT CORPORATION OFFICE OF SUPPLY WASHINGTON 25, D. C.

Index:
Storage
Req. of Stg. Space

July 1 , 1945

#### SHIPPING AND STORAGE BRANCH MEMORANDUM NO. 31.1

# Storage Acquisition and Storage Contracts

# I Responsibility

- A. The Storage Division in Washington will inform the Regional Shipping and Storage Division of the total tonnage of a given commodity allocated to the region for storage.
- B. The Regional Shipping and Storage Division will acquire storage space within the region. Commodities will be stored on the basis of regional requirements and requirements made known to it by the Storage Division in Washington.

# II Between July 15 and August 15

A. Before allocating any commodity to storage, the Allocation Sections, Storage Division in Washington will furnish the Regional S & S Divisions the following information by teletype under the heading:

#### Request for storage space

- 1. Name of commodity
- 2. Type of package
- 3. Number of units
- 4. Net weight
- 5. Likely port of export
- B. Upon the basis of this information and using the approved list of warehouses furnished it by the Warehouse Examination Section, Field Operations Division in Washington, the region will decide where the commodity may be stored to best advantage. They will notify the Allocation Sections in Washington by teletype the name of the warehouse in which the commodity is to be stored within two days of the receipt of the advance information. This message should show the teletype message number of the request from the Allocation Sections for storage space.
- C. The Allocation Sections in Washington will be governed in their final decision by the region's designation. In some instances, the Allocation Sections may not concur with the region's designation, in which case, another teletype will be sent to the region giving reasons why the designation was unsatisfactory and requesting a new designation.
- D. Effective August 15, all allocation of storage space will be made in the Regional S & S Divisions.

#### III Storage Acquisition

# A. Approved list of warehouses

Effective July 9, the Warehouse Examination Section, Field Operations Division in Washington will furnish each Regional S & S Division a list of approved warehouses in their region.

Approval of warehouses will be based upon:

- 1. Suitability of the facility
- 2. Service rendered
- 3. Acceptability of rates
- 4. Record of their compliance since entering into a storage contract

This list will divide the warehouses into groups A, B, or C. The "A" warehouses are preferred, "B" warehouses are suitable, and "C" warehouses are to be used only in emergencies.

# B. Warehouses Not on Approved List

If additional space is needed beyond that included on the approved list or if a warehouseman not on this list requests a contract to store commodities owned by the Office of Supply, the following steps will be taken:

- 1. The Regional Chief, S & S Division, will request the Warehouse Examination Section to make an original examination of the facilities to determine their suitability for storage.
  - a. The warehouse examiner will get a current financial statement from the warehouseman showing assets and liabilities.
  - b. The report of original examination and the financial statement will be given to the Regional Chief, Warehouse Examination Section to determine financial responsibility of the warehouseman.
- 2. After reviewing these reports, the Regional Chief, Warehouse Examination Section will make a recommendation to the Regional Chief, S & S Division as to whether the warehouse is suitable for storage. If the warehouse meets the storage requirements, the following steps will be taken:
  - a. The warehouseman will be sent an invitation to bid
  - b. When the bid is received and the rates approved, a formal contract will be negotiated
  - c. At the discretion of the Regional S & S Division, the warehouseman will be requested to furnish a performance bond covering 20% of the value of the commodities placed in storage.

3. In emergency situations, warehouses which have not been examined by warehouse examiners may be used upon approval of the Chief, Shipping and Storage Branch.

#### C. Use of Warehouses Not Covered in Storage Contracts

Under no circumstances is a warehouseman to be permitted to place commodities in warehouses of the same firm which are not covered in the storage contract.

#### IV Use of Record of Contract Negotiations, Form CCC-210

- A. When Regional S & S Divisions make negotiations for additional storage space with warehouses who have executed contracts for storing commodities acquired by the Office of Supply, Record of Contract Negotiations, Form CCC-210, (see attached) will be prepared to record the information necessary for the preparation of storage contract amendments. Form CCC-210 will be prepared regardless of the method of contact made in negotiating for space. When the data has been filled in on Form CCC-210 covering the space allocated, the completed form will be forwarded for approval to the Regional Chief, S & S Division.
- B. The Regional Chief will review the form in detail and, if approved, sign and have the amendments to storage contracts prepared from Form CCC-210. After being used for the preparation of storage contract amendments, Form CCC-210 will be filed by contract number in the contract files.

# V Copies of Storage Contracts

- A. Effective July 9, the Storage Division in Washington will supply each Regional S & S Office with copies of contracts now in effect with warehouses in the region.
- B. Regional S & S Offices will furnish the Storage Division in Washington with a copy of all contracts and amendments entered into after July 9, 1945.

Chief, Shipping and Storage Branch

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FORM CCC-210  WAR FOOD ADMINISTRATION COMMODITY CREDIT CORPORATION  RECORD OF CONTRACT NEGOTIATIONS			PRESENT CONTRACT NO.
NAME OF WAREHOUSE	FIRST MONTH'S RATE SUBSEQUENT MONTH'S RATE  DRAYAGE CHARGES (IF OFF TRACK) CARRIER SERVING CARS PER DAY		
NAME OF WAREHOUSE REPRESENTATIVE	DATE INSPECTION REQUESTED	PECTION REQUESTED DATE INSPECTION MADE	
When space is allocated for other commodities, list the applicable rates under "REMARKS".	FACILITIES APPROVED BY (NAME OF INSPECTOR)  ALLOCATION APPROVED BY  APPROVAL DATE		APPROVAL DATE
REMARKS:			

